MINUTES OF THE PRIVATE PROTECTIVE SERVICES BOARD MEETING OCTOBER 19, 2007 HOLIDAY INN BROWNSTONE 1707 HILLSBOROUGH STREET RALEIGH, NC 27605

BOARD MEMBER PRESENT

BOARD MEMBER ABSENT

James Stevens Jimmy Ashe
Bill Booth Richard Jenkins
Berkley Blanks

David Grimes David Pendry Brenda Bishop

Ron Burris

Sally Pleasant

Mack Donaldson

Steve Johnson

Richard Allen

STAFF PRESENT

Terry Wright - Director Charles McDarris - Attorney

Mark Poole - Deputy Director Susan Harrison
Larry Liggins - Field Services Supervisor Garcia Graham

Tim Pressley - Training Officer

GUEST PRESENT

Travis Ray Green	Danny J. Breedlove	Russ Thomas
Nick Nicholson	Blake Austensen	Monty Clark
Ruth Reynolds	Chris Ruhlman	Carl Hedin
Audra Coleman	Larry Flannery	Bill Fletcher
Giovanni Masucci	Mike Gambrill	Bill Johnson
Karen Johnson	Michael McFalling	Joe Rippard

Leslie Harris

Chairman Blanks called the October 19, 2007 Private Protective Services Board meeting to order at 9:00 a.m. Mr. Blanks welcomed all guest, introduced the new board members, Mrs. Sally Pleasant and Mr. Mack Donaldson.

Attorney Charles McDarris explained the State ethics law states that if any Board Member has any conflict of interest, potential conflict of interest, or the appearance of a conflict, he or she should remove themselves from deliberation and vote on that matter and so state on the record.

GOOD OF THE ORDER:

Mr. Monty Clark - President of the NCAPI, welcomed the new board members and stated that the Association was looking forward to continuing to work with the Board. Mr. Clark congratulated Mr. Greg Scott and Mr. David Grimes on their appointment to the World Association of Private Investigators. Mr. Clark invited all board members to their conference which will be held October 26 - 28 in Chapel Hill.

Mr. Joe Rippard who is with the North Carolina Department of Insurance, addressed the Board regarding liability insurance for Boards. Mr. Rippard provided an overview of the statues regarding liability insurance for occupational Boards.

MOTION BY MR. ALLEN FOR THE ATTORNEY TO REVIEW THIS MATTER AND REPORT BACK TO THE BOARD AT THE DECEMBER MEETING WITH A RECOMMENDATION. SECONDED BY MR. BURRIS. MOTION CARRIED.

APPROVAL OF THE AUGUST 17, 2007 MEETING MINUTES:

Mr. Burris advised that at the August meeting Mr. Blanks had read a letter into the record which addressed concerns that had been stated by Mr. Conner and Mr. Miles. Mr. Burris requested that the contents of that letter be added to the Minutes and that copies of the letter are sent to Mr. Miles and Mr. Conner.

MOTION BY MR. BURRIS TO APPROVE THE MINUTES WITH THE ABOVE CORRECTION. SECONDED BY MRS. BISHOP. MOTON CARRIED.

SCREENING COMMITTEE REPORT:

Mr. Allen reported the Screening Committee met on Thursday October 18, 2007 from 8:07 a.m. until 1:30 p.m. to review a total of 50 applications. (see report). Committee members were, Mr. Allen, Mr. Ashe, Mr. Pendry, Mrs. Pleasant and Mrs. Bishop. Mr. Allen read the report for the record.

Mrs. Bishop recused herself from item number 21 Travis Ray Green.

Mr. Donaldson recused himself from item number 8 Keifer Romer Bradshaw.

Mr. Booth and Mr. Johnson recused themselves from item number 33 William Thomas Parker, III.

A discussion by the Board was held on item number 14 Stephen Joseph Ciliberti.

MOTION BY MR. BURRIS TO TABLE THIS APPLICATION REQUEST AND HAVE MR. CILIBERTI APPEAR BEFORE THE FULL BOARD AT THE DECEMBER MEETING. SECONDED BY MR. BOOTH. MOTION CARRIED.

MOTION TO ACCEPT THE SCREENING COMMITTEE REPORT BY MR. BURRIS. SECONDED BY MR. STEVENS, MOTION CARRIED.

Mr. Allen presented the following registration report for the period of 8/14/07 through 10/16/07. Total registrations 4,132; armed totals were 728 of which 328 were new, 285 were renewals, 57 were transfers, 6 duplicate and 52 reissue/dual. Unarmed totals were 3,404 which include 1,782 new, 1,460 renewals, 156 transfer and 5 duplicates. Total denials 403 of which 22 for cause and 381 for correctable. There were 256 applications approved which were previously denied for a total of 659 denials reviewed.

MOTION BY MR. GRIMES TO ACCEPT THE REGISTRATION REPORT. SECONDED BY MR. BURRIS, MOTION CARRIED.

GRIEVANCE COMMITTEE REPORT:

Mr. Grimes reported the committee met on Wednesday October 17, 2007 from 9:05 a.m. until 11:30 a.m. and from 1:15 p.m. until 2:30 p.m. to hear a total of eight cases. The committee members were Mr. Grimes, Mr. Booth, Mr. Jenkins, Mr. Stevens and Mr. Donaldson. Mr. Grimes presented the attached report. (see attachment)

Mrs. Pleasant recused herself regarding case number 2007-PPS-006 Thomas Michael Caune.

MOTION BY MR. STEVENS TO ACCEPT THE GRIEVANCE COMMITTEE REPORT. SECONDED BY MR. BURRIS, MOTION CARRIED.

FINAL AGENCY DECISIONS:

Attorney McDarris removed himself as Attorney for the Board and presented the following cases. All parties had been properly noticed of this meeting and none were in attendance.

Case number 07DOJ0469 Lindsay R. Ebron, Jr. vs PPS Board. Mr. Ebron was not present. This

case was denial of an unarmed guard registration permit application for lack of good moral character or temperate habits. This case was heard on May 29, 2007 by Administrative Law Judge Donald W. Overby. The recommendation of the Administrative Law Judge is the Board upholds its initial decision to deny the application for an unarmed guard registration permit.

MOTION BY MR. BURRIS TO ACCEPT THE PROPOSAL OF JUDGE OVERBY TO DENY THE UNARMED REGISTRATION APPLICATION OF MR. EBRON. SECONDED BY MR. ALLEN. MOTION CARRIED.

Case number 07DOJ0928 Charles Glenn Ross vs PPS Board. Mr. Ross was not present. This case was denial of an unarmed guard registration permit application for falsification of information in connection with an application for registration, convictions of impersonation of law enforcement officer, committing an unlawful breaking or entering, and for lack of good moral character or temperate habits as demonstrated by his criminal convictions. This case was heard on June 26, 2007 by Administrative Law Judge Donald W. Overby. The recommendation of Judge Overby is the Board upholds its initial decision to deny the application of an unarmed guard registration permit of Mr. Ross. It is further proposed that Mr. Ross be prevented from re-applying for an unarmed guard registration permit for a period of one year from June 26, 2007.

MOTION BY MR. PENDRY TO ACCEPT THE PROPOSAL OF JUDGE OVERBY TO DENY THE UNARMED REGISTRATION APPLICATION OF MR. ROSS AND THAT HE MAY NOT RE-APPLY FOR ONE YEAR FROM JUNE 26, 2007. SECONDED BY MR. GRIMES. MOTION CARRIED.

Mr. McDarris returned as Attorney for the Board.

TRAINING & EDUCATION COMMITTEE:

Mr. Stevens advised the Training & Education Committee met on Thursday October 18, 2007 from 2:20 p.m. until 3:30 p.m. The committee members were Mr. Stevens, Mr. Booth, Mr. Johnson, Mr. Grimes and Mr. Allen.

Mr. Tim Pressley, Training Officer, presented his report. Mr. Pressley reported on December 6,7, and 10, 2007 an Unarmed Guard Trainer course will be held at Wake Tech Community College (WTCC).

Mr. Pressley reported the following PPS Trainer Courses have been completed since the last meeting:

August 16, 17, & 20, 2007 Unarmed Guard Trainer at WTCC. October 1-5, 2007 PPS Firearms Trainer at NCJA October 2, 2007 PPS Firearms Trainer re-certification at NCJA October 11, 12, & 15, 2007 Unarmed Guard Trainer at WTCC

Currently we have 388 certified PPS unarmed trainers, 103 PPS certified armed trainers and 114 PPS

certified OC spray trainers.

Mr. Pressley reported the renewal applications for unarmed trainers are currently being processed. Unarmed trainers must now complete the 16 hours of training prior to renewing and as a result some of the Trainers are surrendering their certification.

Mr. Pressley reported some of the Firearms Trainers have requested an opinion of the Board as to whether the hours spent teaching the firearms course could count towards the hours required for their Unarmed Guard Trainer certification.

MOTION BY MR. BOOTH TO ALLOW CLASSROOM TRAINING CONDUCTING BY FIREARMS TRAINERS TO BE UTILIZED TO MEET THE TRAINING REQUIREMENTS OF 12 NCAC 07D .0911. SECONDED BY MR. JOHNSON. MOTION CARRIED.

Mr. Pressley reported he taught a workshop on October 11, 2007 for the North Carolina Community College Adult Education Association Conference in Greensboro. The attendees were excited about the possibility of being involved with the PPS training programs.

Mr. Stevens reported we had representatives from the Special Events organizations to address the committee. They requested to teach the first four hours of PPS training with the remaining 12 hours being their specialized training. The committee's recommendation is that the entire 16 hours must be completed as required by PPS for those individuals that are performing security functions.

Mr. Stevens reported that the Armored Car industry has requested that the Committee approve a 16 hour training program for armored car professionals. The first four hours of the training will be the mandated PPS training and the remaining 12 hours would be training that is specific to the armored car industry. The request from the Armored Car Industry is somewhat different and the recommendation to the full board would be to form a sub committee to discuss the issue of creating a new registration for the armored car industry. The registration would be valid only for armored car registrants and could not transfer over to a security guard registration.

Mr. Blanks asked whether the issue of event staff personnel wearing uniforms that will distinguish security vs non-security personnel have been resolved.

Mr. Burris advised this was left up to each Event Staff Licensee to coordinate with the staff. However, the recommendation of the sub committee is that event staff personnel have separate uniforms for their security and non-security personnel.

Mr. Blanks requested that all Board members who are interested in serving on the Armored Car sub-committee advise him by the end of the month.

Mr. Grimes advised the matter of Event Staffing had been handled and it appears we are now starting

over.

Mr. Stevens advised this is still a work in progress and it is up to the licensee to notify the staff regarding what their employee's duties are.

MOTION BY MR. BURRIS TO ACCEPT THE TRAINING AND EDUCTION COMMITTEE REPORT. SECONDED BY MR. GRIMES. MOTION CARRIED.

FINANCE COMMITTEE REPORT - NONE

GRIEVANCE COMMITTEE REPORT:

Mr. Grimes reported the only matter for the Board would be to consider that cases heard in Grievance involving unlicensed activity may warrant being sent to the Department of Revenue when someone has gained money while operating illegally in North Carolina. The Grievance Committee would recommend this step be taken along with the issuance of the cease and desist.

MOTION BY MR. GRIMES TO FORWARD A COPY OF THE GRIEVANCE REPORT TO THE NORTH CAROLINA DEPARTMENT OF REVENUE WHEN WARRANTED. SECONDED BY MR. DONALDSON. MOTION CARRIED.

Mr. Blanks requested the status of addressing the District Attorney's conference regarding unlicensed activity.

Mr. Wright advised the meeting will be held on October 23, 2007 and he and Mr. McDarris are scheduled to address the conference.

Mrs. Reynolds with NCAPI advised they are still receiving information regarding the licensees not providing their license number in advertising.

Mr. Wright advised the notice is being sent with the renewals and if a complaint is received it would be presented to Grievance committee.

MOTION BY MR. ALLEN TO ACCEPT THE GRIEVANCE COMMITTEE REPORT. SECONDED BY MR. BURRIS. MOTION CARRIED.

SCREENING COMMITTEE REPORT:

Mr. Allen reported the committee had one matter and he would defer to Mr. Wright.

Mr. Wright advised a proposal had been received from a licensee requesting a registrant be allowed to continue to work once the registration has been denied for correctable reasons. The staff would like a motion regarding the approval or denial of this request.

MOTION BY MR. DONALDSON TO DENY THE REQUEST. SECONDED BY MR. BOOTH. MOTION CARRIED.

10:32 AM Break 10:50 am Reconvened

Mr. Blanks called the meeting back to order and requested the committee report for 74C rewrite.

74C RE-WRITE COMMITTEE:

Mr. Burris advised the committee met on Thursday October 18, 2007 from 3:30 p.m. until 5:00 p.m. Mr. Burris stated that the committee is looking for suggestions from the Board, industry and other interested parties as to what we may want to look at in the future for 74C. We would like to have a first draft by August 08, final draft by October, and by December have the final draft. We would like to have this ready to present in 2009. We will continue to meet on Thursday afternoon as well as having special meetings. We are looking for a wish list that can be prioritized. The following items were items that Board members, staff and licensees stated they would like to see the Board address:

- 1. Separate sections pertaining to private investigators and armed guards
- 2. Organize and index so people in the industry can find what they need to know.
- 4. Incorporate computer forensics
- 5. Specify the procedure to be followed when a business transfers ownership
- 6. Institute a penalty fee for "correctable denials" in applications
- 7. Improve access to procedures required to be followed (currently procedures are sent to new licensees and are on the website)
- 8. Address the issue of proprietary unarmed security (night clubs or where alcohol served) where the PPS Board now has no jurisdiction
- 9. Provide more enforcement options, especially in dealing with unlicensed activity * (e.g., report to the NC Department of Revenue, the ability to access civil penalty for unlicensed activity, etc.)
- 10. Prevent businesses whose licenses have been revoked from becoming licensed under another name
- 11. Approve NCAPI as a provider of continuing education and list on the PPS website.
- 12. Approve CEU providers (by the training and education committee) as is done on the Alarm Board
- 13. Pursue the return of the recovery fund money used by the Governor toward the general State budget
- 14. Establish procedure for redress for the discharge of a weapon by covered persons or the failure of covered persons to cooperate with an investigator

- 15. Increase the time that a company has to replace a qualifying agent or to continue to operate under a temporary license or a provisional license. (Current law allows for a 90 day extension if a company loses its qualifying agent; however, there are times when a company may have difficulty meeting the 90 day deadline in getting the successor agent qualified, especially since the Board only meets every other month. Also, enforce the requirement that a qualifying agent position should not be a figure head but must be involved in active management.)
- 16. Revisit the Carrying Concealed Weapon requirements

*Discussion

In the discussion of enforcement options, there were statements regarding the use by the Board of various penalties and sanctions, including the summary suspension of licenses, etc. Charles McDarris advised the Board that the Administrative Procedures Act requires due process prior to the suspension or revocation of licenses issued by State boards. The law states that the Board can get a civil injunction in appropriate situations, and the Board has done that on occasion.

It was discussed that the maximum dollar amount of the administrative penalty is too low to be an effective deterrent. Charles McDarris stated that a recent Supreme Court opinion ruled that if fines are excessive or punitive then the assessment of such fines become more of a judicial function; therefore, he advises there is risk in increasing the amount allowed as an administrative penalty if they were determined to be too high.

The Board can assess, as part of a penalty, the payment of an amount of money which represents the costs of staff time and expenses, which would be repayment to the Board; and the Board does that in many settlements. However, any additional "fine or penalty" amounts must go to the Board of Education.

Mr. Blanks thanked Mr. Burris for his work regarding the past work the committee has done and looks forward to the committee continuing to bring 74C into the 21st century.

Mr. McDarris advised all meetings of 74C are open meetings. Mr. Wright advised all licensees will be noticed and request any input be sent to the Administrative Office to be forwarded to the committee.

Mr. Russ Thomas requested to know if the matter of concealed weapons would be discussed by the committee.

Mr. Burris advised the committee will be open to any and all suggestions from the industry. We will be gathering, over the next several months, all suggestions from the industry to be discussed. These meetings will be open to the public.

Mr. Blanks advised this committee will consist of all Board Members.

MOTION BY MR. GRIMES TO ACCEPT THE COMMITTEE REPORT. SECONDED BY MR. JOHNSON. MOTION CARRIED.

OLD BUSINESS:

Mr. Booth requested the committee which was formed to review computer forensics be re-appointed with the addition of Mrs. Sally Pleasant. The Committee would be Mr. Booth, Mrs. Pleasant, Mr. Poole and Attorney McDarris. Mr. Booth requested the material passed out be reviewed and the committee come to the next meeting with suggestions on this matter. Anyone with comments will be welcome to attend this meeting.

Mr. Grimes requested a follow-up on the refund of the recovery fund.

Mr. McDarris advised this would take a legislative re-write and this would be taken up by the re-write committee. Mr. McDarris stated that we must have a bill passed in order to have any funds returned.

NEW BUSINESS:

None

DIRECTOR'S REPORT:

Mr. Wright presented his written report. The budget as of 9/1/07 is \$310,537.69 and the recovery fund is \$74,608.40. As of 10/16/07 we have a total of 13,089 armed registrants; 1,517 licensed individuals; 605 certifications for a grand total for PPSB of 15,211. From 8/15/07 until 10/16/07 we had 5,739 printed correspondence; from 8/14/07 until 10/16/07 a total of 19 Unarmed Guard Trainers were approved; 2 OC Spray Trainers approved; 3 Change of Sponsors and 2 License re-instated under the 10 year rule.

Mr. Blanks requested to know the registration process regarding a correctable denial.

Mr. Wright advised that there is no time frame for the corrections to be returned to our office. There have been times the entire application is returned to the company due to numerous errors with the application. A major problem is carelessness on the part of the person completing the application. Mr. Wright advised that staff does offer training and the registration process is posted on our web page.

A member of the audience requested to know if there is someway the forms could be completed on line and sent to the Administrative Office.

Mr. Wright advised at this time we do not have that capability.

Mr. Stevens advised in some states he operates in that the registration fees are kept if the application is not correct. The applications are returned with a letter advising they have been reviewed the information and the application is not correct, therefore another application must be re-submitted with the appropriate fee. Mr. Stevens advised that essentially you lose the first fee that was submitted.

Mr. McDarris advised you could change the rules or change the policy set by the Board.

MOTION BY MR. BOOTH FOR THE STAFF TO REVIEW THE PROCESS, BRING SUGGESTIONS BACK TO THE FULL BOARD IN DECEMBER. SECONDED BY MRS. PLEASANT. MOTION CARRIED.

Mr. Grimes and Mr. Donaldson requested the status of the out of state on line criminal record checks.

Mr. Wright advised this is being looked at by Mr. McDarris and himself regarding this matter and we should have a report back to the Board in February.

Mr. Wright requested the Board put a time frame on the correctable denials and stated that would be part of his report to the Board at the December meeting.

MOTION TO ACCEPT THE DIRECTOR'S REPORT. SECONDED BY MR. ALLEN. MOTION CARRIED.

ATTORNEY'S REPORT:

Attorney McDarris presented his report.

CONSENT AGREEMENTS AND CIVIL PENALTIES

Joseph Beck paid the consent in the amount of \$918.00.

William Baggett - has signed for the civil penalty, however he has not paid, therefore we request this matter be referred back to the Grievance Committee.

MOTION BY MR. BOOTH TO SEND WILLIAM BAGGETT BACK TO GRIEVANCE COMMITTEE. SECONDED BY MR. BURRIS. MOTION CARRIED.

There was an error in the dollar amount regarding J.D. White's consent. We will correct the dollar amount and send that to Mr. White.

The AlliedBarton consent will be drafted and mailed.

OFFICE OF ADMINISTRATIVE HEARINGS:

See attached report.

RULES:

12 NCAC 7D.0901, .0909 - this is currently on hold waiting for a letter from the Attorney General's Office concurring with the rule change.

12 NCAC 7D.0911 - this is currently on hold waiting for a letter from the Attorney General's Office concurring with the rule change.

12 NCAC 7D.0601 - Standards for PSE and CI Schools. This will be pulled back and presented to the full Board for standards to be set.

MOTION BY MR. BURRIS TO SET STANDARDS FOR SCHOOLS FOR PSE AND CI SCHOOLS. SECONDED BY MR. ALLEN. MOTION CARRIED.

12 NCAC 7D.0203 (b) - has been filed with Rules Review Commission. Attorney McDarris will report back at the next meeting.

12 NCAC 7D .1109 - has been filed with Rules Review Commission and is up for adoption. This will remove the training video for Private Investigators.

MOTION BY MR. ALLEN TO REMOVE THIS RULE. SECONDED BY MRS. PLEASANT. MOTION CARRIED.

12 NCAC 7D .0801 - has been filed with Rules Review Commission and is up for adoption. This will change the age of Armed Security Guards to 21 years of age.

MOTION BY MR. ALLEN TO ACCEPT. SECONDED BY MRS. PLEASANT. MOTION CARRIED.

12 NCAC 7D. 0908 Post Delivery Reports. This has been a technical change and is before Rules Review Commission. We will report back at the December meeting.

MISCELLANEOUS:

The Bell South Subpoena has been sent and we have not received a response from them.

The matter of Mr. Jeffrey Moore for FAD from the August Board was discussed. There was a motion made and a withdrawal according to the minutes. This needs to be corrected.

MOTION BY MR. BURRIS TO DELETE THE PHRASE "MOTION CARRIED" AND THIS MATTER WILL BE HEARD IN DECEMBER. MR. MOORE WILL BE NOTICED OF THIS ACTION. SECONDED BY MR. GRIMES. MOTION CARRIED.

MOTION TO ACCEPT THE ATTORNEY'S REPORT BY MR. BOOTH. SECONDED BY MR. BURRIS. MOTION CARRIED.

Mrs. Reynolds requested the status of the Badge. She was advised that the next step in process was to consult with the Sheriff's Association as well as the Chief of Police Association.

Mr. Grimes requested with the Board's authority he will take the badge issue to the Sheriff's Association and have this matter completed by the December meeting.

MOTION BY MR. BURRIS TO GO INTO CLOSED SESSION IN ACCORDANCE WITH NCGS 14331811 (a) (6) TO DISCUSS A PERSONNEL ISSUE. SECONDED BY MRS BISHOP. MOTION CARRIED.

Mr. McDarris reported that a personnel matter was discussed, no action was taken.

MOTION TO ADJOURN BY MR. BOOTH. SECONDED BY MRS. BISHOP. MOTION CARRIED.

2:06 p.m. Adjoruned	
	Terry M. Wright, Director
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Susan B. Harrison, Reporter